

### November 30, 2016 AGENDA ITEM #6

Discuss and take appropriate action on an application for Qualified Energy Conservation Bond allocation for Park and Ride facilities

Strategic Plan Relevance: Regional Mobility

Department: Finance and Engineering

Contact: Jeff Dailey

Associated Costs: N/A

Funding Source: N/A

Board Action Required: Consider and act on draft resolution

#### Summary:

This item requests Mobility Authority Board consideration and approval of a resolution that authorizes staff to submit an application to secure Qualified Energy Conservation Bond (QECB) authority for the purpose of developing or enhancing up to eight (8) Park and Ride facilities. QECB is a federal bond interest subsidy program under the oversight of the Texas Bond Review Board. This funding mechanism provides an opportunity to expand/improve the region's Park and Ride system and improve mobility. Last July the Board approved a tri-party Memorandum of Agreement (MOA) between the Mobility Authority, Capital Metro and the Capital Area Metropolitan Planning Organization related to the Park and Ride Initiative. The Mobility Authority's role is to support the development of sites with a primary focus on locations that would benefit most directly from the use of Mobility Authority facilities. Design and construction responsibilities are to be determined on a case by case basis. The various allocations to local agencies will be "pooled", including those unused allocations for Travis County, Williamson County, City of Austin, and potentially the State of Texas for a total potential funding of more than \$50,000,000 (see table below).

#### **OECB Unused Allocations**

2202 011000011111000110110	
Travis	\$2,568,900
Williamson	\$3,773,122
City of Austin	\$7,865,291
Statewide	~\$38,000,000
Total	~\$52,207,313

Once approved by the Mobility Authority Board, each respective local agency will need to pass a resolution to waive their allocations and assign them to the Mobility Authority in order to finally "pool" the available allocations and complete the QECB application. Staff will pursue these respective resolutions upon approval of this item.

The Mobility Authority Board, Commissioner Court, and City Council resolutions will finalize the application. This is the first step to secure the QECB bond authority. Once the Texas Bond Review Board makes a determination, a bond parameters resolution will be presented for Board consideration. In the meantime, the Mobility Authority will continue to work with CapMetro and CAMPO to further develop and refine the Park and Ride sites and alternative implementation plans.

Backup Provided: Draft Resolution;

Draft QECB Application; Park and Ride Overview Map;

**Board Briefing** 

## GENERAL MEETING OF THE BOARD OF DIRECTORS OF THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

#### **RESOLUTION NO. 16-0XX**

# AUTHORIZING THE FILING OF AN APPLICATION WITH THE STATE OF TEXAS FOR AN ALLOCATION OF THE STATE OF TEXAS' QUALIFIED ENERGY CONSERVATION BOND AUTHORITY; AND MAKING CERTAIN FINDINGS AND AUTHORIZATIONS IN CONNECTION THEREWITH

WHEREAS, the Central Texas Regional Mobility Authority (the "Authority") has been created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, and operates pursuant to the Constitution and laws of the State, including, particularly, Chapter 370, Texas Transportation Code (the "Act"), for the purposes of constructing, maintaining and operating transportation projects, including turnpike projects, in Travis and Williamson Counties, Texas; and

WHEREAS, pursuant to the Act, the Authority is authorized to: (i) study, evaluate, design, finance, acquire, construct, maintain, repair and operate transportation projects (as defined in the Act), individually or as a system (as defined in the Act); (ii) issue bonds, certificates, notes or other obligations payable from the revenues of a transportation project or system, including tolls, fees, fares or other charges, to pay all or part of the cost of a transportation project and to refund any bonds previously issued for a transportation project; and (iii) impose tolls, fees, fares or other charges for the use of each of its transportation projects and the different parts or sections of each of its transportation projects; and

WHEREAS, pursuant to the Act and other applicable laws, the Authority is authorized to issue revenue bonds, notes, certificates or other obligations for the purposes of (i) financing all or a portion of the cost of the acquisition, construction, improvement, extension or expansion of one or more transportation projects (as defined in the Act) and (ii) paying the expenses of issuing such revenue bonds, notes, certificates or other obligations; and

WHEREAS, the Authority proposes to issue "qualified energy conservation bonds" for the purpose of developing and/or enhancing one or more park and ride facilities that qualify as "mass commuting facilities" (the "Qualified Conservation Projects") under sections 54A and 54D of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Authority is authorized and intends to issue revenue bonds (the "Bonds") pursuant to the Act to finance the Qualified Conservation Projects;

WHEREAS, the Authority wishes to designate the Bonds as "qualified energy conservation bonds" pursuant to section 54D of the Code conditioned upon the awarding of an allocation by the State of its unused qualified energy conservation bond limitation as authorized by section 54D(e) of the Code;

### THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY THAT:

- Section 1. An application is hereby approved and authorized to be filed with the Bond Review Board of the State, the State Governor's Office and such other agencies and instrumentalities of the State or other organizations as may be necessary seeking the awarding of an allocation by State of its unused qualified energy conservation bond limitation as authorized by section 54D(e) of the Code.
- Section 2. The Authority declares its official intent to issue the Bonds to provide financing for the Qualified Conservation Projects and designate such bonds as "qualified energy conservation bonds" pursuant to sections 54A and 54D of the Code.
- Section 3. The Executive Director, Chief Financial Officer and Controller of the Authority or their respective designees, Bracewell LLP, as Bond Counsel to the Authority, and Hilltop Securities Inc., as financial advisor to the Authority are hereby authorized to do any and all things necessary or appropriate in order to receive an allocation by the State of its unused qualified energy conservation bond limitation including amending this Resolution in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated by this Resolution, (ii) obtain an allocation by State of its unused qualified energy conservation bond limitation as authorized by section 54D(e) of the Code, or (iii) obtain the approval of the Bonds by the State Attorney General's office.
- Section 4. It is hereby found and determined that the meeting at which this Resolution is adopted was open to the public; and that public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code.
- Section 5. This Resolution shall be in full force and effect from and upon its adoption.
- Section 6. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed and declared to be inapplicable, and the provisions of this Resolution shall be and remain controlling as to the matters prescribed herein.
- Section 7. If any word, phrase, clause, paragraph, sentence, part, portion, or provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution shall nevertheless be valid and the Board hereby declares that this Resolution would have been enacted without such invalid word, phrase, clause, paragraph, sentence, part, portion, or provisions.

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Adopted, passed and approved by the Board of Directors of the Central Texas Regional Mobility Authority on the 30 <sup>th</sup> day of November, 2016.	
Submitted and reviewed by:	Approved:
Geoffrey Petrov, General Counsel	Ray Wilkerson Chairman, Board of Directors



# STATE OF TEXAS RECEIVED APPLICATION FOR QUALIFIED ENERGY CONSERVATION BOND ALLOCATION STATE OF TEXAS RECEIVED

TX BOND REVIEW BD

AUSTIN, TEXAS

TO: Program Administrator Texas Bond Review Board 300 W. 15<sup>th</sup> Street, #409 Austin, Texas 78701-1649

#### \*\*APPLICATION FEE: \$1000

Fees should be sent to: Comptroller of Public Accounts
Item Processing – Lock Box Section
208 E. 10<sup>th</sup> Street
Austin, TX 78701

#### **DUPLICATE:**

Office of the Governor P.O. Box 12428 Austin, Texas 78711

Hand delivery: 1100 San Jacinto Avenue

Austin, TX 78701

Name of Project: Central Texas Park & Ride Initiative

#### Parties (only include applicable items)

#### 1. Issuer

Issuer Name:	Central Texas Regional Mobility Authority
Principal Contact:	Mike Heiligenstein
Address:	3300 N IH-35, Suite 300, Austin, Texas 78705
Telephone:	(512) 996-9778
E-mail:	mstein@ctrma.org
Issuer's Authorizing	Chapter 370, Texas Transportation Code, as amended,
State Statute:	Chapter 1207, Texas Government Code, as amended,
	and Chapter 1371, Texas Government Code, as
	amended

2. Obligor/Project User

Name:	Central Texas Regional Mobility Authority
Principal Contact:	Bill Chapman, CFO
Address:	3300 N IH-35, Suite 300, Austin, Texas 78705
Telephone:	(512) 450-6284
E-mail:	wchapman@ctrma.org
Business Structure:	Political Subdivision of the State of Texas
State and Date of	2002
Incorporation/ Creation:	

3. Issuer's Sponsoring Governmental Unit (if any)

Name:	N/A
Principal Contact:	
Address:	
Telephone:	
E-mail:	

#### 4. Bond Counsel

Name:	Bracewell LLP
Principal Contact:	Glenn Opel
Address:	111 Congress Avenue - Suite 2300 Austin, Tx 78701
Telephone:	(512) 542-2114
E-mail:	Glenn.Opel@bgllp.com

#### 5. Underwriter

Name:	Morgan Stanley
Principal Contact:	Frank Reed/Blaine Brunson
Address:	755 Mulberry Ave., Suite 300 San Antonio, Tx 78212
Telephone:	(210) 277-4447
E-mail:	Frank.Reed@morganstanley.com

#### 6. Financial Advisor

Name:	FirstSouthwest, a division of HilltopSecurities
Principal Contact:	Richard Ramirez
Address:	300 West 6 <sup>th</sup> Street, Suite 1940 Austin, Tx 78701
Telephone:	(512) 481-2007
E-mail:	Richard.Ramirez@firstsw.com

7. Authorized Representative of Issuer

Name:	N/A
Principal Contact:	
Address:	
Telephone:	
E-mail:	

8. Others: Please indicate any others you would like to receive emailed requests for further information or notifications regarding reservations.

NAME	E-MAIL

#### **Bond Qualification Details**

Requested Amount \$77,973,000 Minimum Amount of allocation required \$77,973,000 QECB Authority previously allocated to issuer \$0.00

QECB Authority available to other entities within \$14,207,313

the jurisdiction of this applicant - City of Austin,

Travis County, Williamson County

Please briefly describe why additional allocation is necessary. Amounts available in the CTRMA jurisdiction are not adequate to fund total project list

10.	Bond Type  Non-Private Activity  Private Activity
	Project Category – 100% of available project proceeds will be used for (check one or more):
	☐ Capital expenditure incurred for purposes of (check one or more): ☐ Reducing energy consumption in publicly-owned buildings by at least 20 percent ☐ Implementing green community programs ☐ Rural development involving the production of electricity from renewable energy resources ☐ Any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date). ☐ Describe:
<ul> <li>Expenditures with respect to research facilities, and research grants, to support resea (check one or more):</li> <li>Development of cellulosic ethanol or other non-fossil fuels</li> <li>Technologies for the capture and sequestration of carbon dioxide produced the use of fossil fuels</li> <li>Increasing the efficiency of existing technologies for producing non-fossil fuel Automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation</li> <li>Technologies to reduce energy use in buildings</li> </ul>	
	Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting
	Demonstration projects designed to promote the commercialization of (check one or more):  Green building technology  Conversion of agricultural waste for use in the production of fuel or otherwise  Advanced battery manufacturing technologies  Technologies to reduce peak use of electricity  Technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity
	□ Public education campaigns to promote energy efficiency

#### **Project Details**

11. Location of project (include county and zip codes)

Travis County - 73301, 73344, 78617, 78645, 78651, 78652, 78653, 78660, 78669, 78691, 78701, 78702, 78703, 78704, 78705, 78708, 78709, 78710,78711,78712, 78713, 78714, 78715, 78716, 78717, 78718, 78719, 78720, 78721, 78722, 78723, 78724, 78725, 78726, 78727, 78728, 78729, 78730, 78731, 787132, 78733, 78734, 78735, 78736, 78737, 78738, 78739, 78741, 78742, 78744, 78745, 78746, 78747, 78748, 78749, 78750, 78751, 78752, 78753, 78754, 78755, 78756, 78757, 78758, 78759, 78760, 78761, 78762, 78763, 78764, 78765, 78766, 78767, 78768, 78769, 78772, 78773, 78774, 78778, 78779, 78780, 78781, 78783, 78799.

Williamson County - 76527, 76530, 76537, 76573, 76574, 76578, 78613, 78615, 78626, 78627, 78628, 78630, 78633, 78634, 78641, 78642, 78646, 78664, 78655, 78673, 78674, 78680, 78680, 78681, 78682, 78683, 78717, 78729

12. Please briefly describe the project and its benefits.

The program will include the construction of eight (8) or more Park & Ride Facilities throughout the Central Texas Area along tolled facilities and managed lane projects being developed by CTRMA. Transit buses will utilize these facilities at no cost. Utilizing tolled facilities and managed lane project will reduce travel time thereby increasing ridership. Increased ridership thereby reduces vehicle miles traveled (VMT). Also, CapMetro will utilize Electric or Compressed Natural Gas (CNG) Transit Service and help reduce pollution by providing mass commuting opportunities and traffic mitigation throughout the Central Texas Area.

Describe the extent to which this project will result in energy savings, and the criteria you used to estimate the savings.

Eight park and ride sites have the potential to reduce vehicle miles traveled (VMT) by approximately 12,874,950 miles annually. The reduction in VMT results in an estimated savings of 377,800 gallons of fuel annually.

This estimate is based on a preliminary planning study of the park and ride sites proving 2,431 spaces with the following criteria:

- 85% lot usage.
- 90% of the users previously drove alone.
- Length of the trip is calculated from the proposed park and ride location to the Austin Central Business District (CBD).
- 250 operating days per year.
- Auto fuel efficiency based on 23.41 mpg per the USDOT Bureau of Transportation Statistics.
- Bus fuel efficiency based on 3.26 mpg per the American Public Transit Association's Public Transportation Fact Book.

These Park & Ride Facilities will also be utilized by customers who carpool or rideshare utilizing several programs endorsed by the CTRMA which also serve to reduce fuel consumption, maintenance costs, and congestion which contributes to higher emissions.

What is the expected life of the project?

Thirty-Five (35) years

#### **13.** Estimated project costs broken down by:

Land	20,000,000
Building	52,155,400
Equipment	
Interest during Construction	4,258,140
Costs of Issuance	1,559,460
net Original Issue Discount	
Other (please specify)	
TOTAL	77,973,000
Less other sources of funds	
Bond Amount*	77,973,000

<sup>\*</sup>The total bond amount should equal the requested amount in Question 9.

14. Anticipated total payroll resulting from or expected to be saved by project: \$29,327,000.00

Based on American Public Transportation Association "Job Impacts of Spending on Public Transportation: An Update", April 29, 2009; 8,200 direct effect jobs per billion dollar of spending and \$23.83 mean hourly wage according to the U.S. Bureau of Labor Statistics for a one year duration.

15. Unemployment from the Texas Workforce Commission from the most recent month of the county (ies) or Metropolitan Statistical Area (MSA) in which the project is located?

Austin-Round Rock Metropolitan Statistical Area = May 2016 - 2.9%

16. Number of expected full-time equivalent jobs to be created?Number of expected full-time construction/temporary jobs?

Based on American Public Transportation Association "Job Impacts of Spending on Public Transportation: An Update", April 29, 2009; 8,200 direct effect jobs per billion dollar of spending. 65% estimated to be planning, design and construction/temporary and 35% estimated to be full-time equivalent jobs.

17. Average salary of permanent jobs created

\$23.83 mean hourly wage according to the U.S. Bureau of Labor Statistics

**18.** Does the project development plan provide jobs that enhance opportunities for Texas in technology, advanced manufacturing, environmental processing or other areas that provide for a specialized workforce? If so, how?

The CTRMA is on the forefront of using technology to assist in the reduction of traffic congestion as evidenced by the recent opening of the Traffic Management Center in Cedar Park which is being used to manage the MoPac Express lanes and for rapid identification and response to traffic incidents on CTRMA facilities which will result in safer roadways and decreased travel times. Technology will also be utilized to monitor the Park & Ride Facilities to ensure operations are running smoothly resulting in reliable travel times that will benefit bus service. The CTRMA has also encourage the use and development of traffic management applications such as Carma and Metropia and has been a champion of the Commute Solutions program which is helping to develop ridesharing pools among major employers in the Austin MSA.

**19.** Is a workforce training program a component of the project's development plan? No

20. Key Dates

Milestones	DATE (MM/DD/YY)
When designation is required	12/31/2016
Estimated completion of plans and specs	1 <sup>st</sup> Quarter 2017
Estimated commencement of project	1 <sup>st</sup> Quarter 2017
Estimated completion of project	12/31/2019
Estimated date project to be placed in service	12/31/2019

<sup>\*10%</sup> must be committed (Via a Signed Contract) within 6 months

<sup>\*\* 100%</sup> of proceeds must be spent within 3 years.

#### **Project Financing**

- **21.** Expected Closing Date 1<sup>st</sup> Ouarter 2017
- **22.** Besides the QECB issuance, what alternative financing has been considered for this project and what are the advantages and disadvantages of a QECB issuance for the project compared with other financing alternatives?

City of Austin - Bond Program
TxDOT - Congestion Mitigation Funds
CAMPO - FTA Grants:

- Buses and Bus Facilities Grants Program 5339
- Capital Investment Grants 5309
- Flexible Funding Programs Congestion Mitigation and Air Quality Program 23 USC 149

While all of these programs could theoretically be used to fund Park & Ride facilities, it was evident that the QECB program had the most attractive overall cost of capital for the Authority.

23. a. How will the QECB transaction be memorialized?

Bond indenture (CTRMA Series 2017 Senior Lien Revenue Bonds) **b.** Statutory authority reference for the obligation:

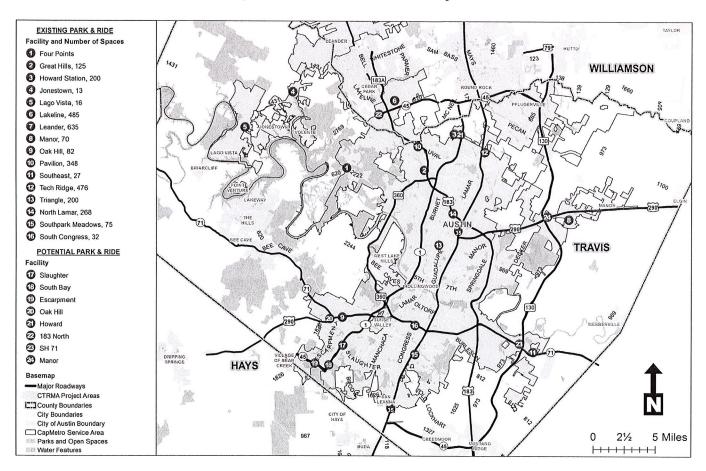
The Bonds will be issued by the Authority pursuant to the laws of the State, particularly Chapter 370, Texas Transportation Code, as amended, Chapter 1207, Texas Government Code, as amended, and Chapter 1371, Texas Government Code, as amended

**24**. Please describe the security for the obligation. Toll revenues and other available funds.

**25**. What is the final maturity for the memorializing obligation? Maximum allowable term at time of pricing (Currently 35 years)

Application Attachments (as applican)	ie)
	(BRB Use only)
26.  Certification Regarding Fees & Check Copy, o	on the form prescribed by the Board
☐ Inducement Resolution or Preliminary Action	
Legal Counsel Opinion (QECB and authorizati	on under state law)
☐ Estimated Sources and Uses of Funds	
☐ Detailed Report of Energy Savings Analysis	
☐ ESPC Addendum	
☐ Issuer's Certified Articles of Incorporation and	Bylaws
☐ Issuer's Certificate of Continued Existence	by taws
☐ Obligor's/User's Articles of Incorporation and	Bylaws $\square$
☐ Obligor's/User's Certificate of Continued Exis	,
Obligor's/User's Certificate of Good Standing	
_ ourgot stoset's certificate of good standing	(meruaning partitlers of parents)
DISTRIBUTION INSTRUCTIONS FOR CERTIFICATES OF	RESERVATION/ALLOCATION:
Please indicate who should receive the Certificates	Street Address
Issuer Bond Counsel	
Name of Firm:	
Contact Name & Phone #:	
Please indicate the preferred Method of Delivery (Note: Cert	ificates will not be sent by regular mail.)
Messenger	Account #
Fed Ex □	
Other Carrier (Specify Below)	
Project Certification	
110 jeet Certification	
<b>27.</b> Certification: The information contained in this Apbond issuing authority and related attachments is, accurate.	to the best of our knowledge, true and
	(Name of Issuer)
	(Name of Issuer)  (Signature)  (Signature)  (Name/Title/Date)
	William Chapman CFO
	(Name/Title/Date)

#### **Attachment 1** Map of Potential Park and Ride Projects



Attachment 2 **Preliminary Park and Ride Program Cost Estimates** 

Map ID	Site Location	Tota	Il Estimated Project  Costs <sup>1</sup>
17	South MoPac/Slaughter	\$	8,008,200.00
18	South MoPac/South Bay	\$	2,259,200.00
19	South MoPac/Escarpment	\$	2,054,600.00
20	Oak Hill	\$	16,969,500.00
21	Howard	\$	12,258,750.00
22	US 183 North/SH 620	\$	8,359,125.00
23	SH 71	\$	12,556,125.00
24	US 290/Manor	\$	9,689,400.00
To	Total Estimated Program Cost		72,154,900.00

<sup>1</sup> Estimated costs include property acquisition, planning, environmental, design, and construction based on 8/12/2016 Program Estimate.

Reservation Docket #



#### TEXAS BOND REVIEW BOARD

TX BOND REVIEW BD AUSTIN, TEXAS

#### **CERTIFICATION REGARDING FEES**

THIS FORM & A COPY OF THE CHECK MUST BE SENT TO THE FOLLOWING ADDRESS:

## TEXAS BOND REVIEW BOARD 300 W. 15<sup>TH</sup> ST, SUITE 409 AUSTIN, TX 78701-1649

The undersigned certifies that as of the $\frac{24^{\circ}}{0}$	day of October, 2016	a check, representing the
Application	fee, in the amount of \$1,000.00	, was sent by overnight mail
to the COMPTROLLER OF PUBLIC ACCOUNTS	S, ITEM PROCESSING - LOCKBOX SECTION	DN.
A copy of the check m	nust be attached to this certifica	ition.
W.MPD-P	Glenn Opel-Bracewell	
Signature of Bond Counsel	Typed Name of Bond Counsel	· · · · · · · · · · · · · · · · · · ·
Central Texas Regional Mobility Authority	10/24/2016	
Name of Issuer	Date	
Central Texas Regional Mobility Authority	Park & Ride Facilities	

Project

THE FEE MUST BE RECEIVED WITHIN 24 HOURS OF THE RECEIPT OF THE APPLICATION OR ANY REQUIRED SUBSEQUENT FILINGS.

This certification must be filed with documents each time a fee is required to be submitted.

Name of User

**Texas Comptroller of Public Accounts** 

10/24/2016

Document

**Document** 

No.

**Date** 

**Posting Description** 

Discount

**Net Amount** 

**ENERGY** 

10/21/2016

Invoice PI014393

**Amount** 1,000.00

1,000.00

Total

1,000.00

18173

0

**CENTRAL TEXAS** REGIONAL MOBILITY AUTHORITY

3300 N IH-35, SUITE 300 AUSTIN, TX 78705 (512) 996-9778

\*\*\*\*ONE THOUSAND AND 0/100

PAY

Texas Comptroller of Public Accounts

PO Box 13186 Austin, Texas 78711-3186

TO THE ORDER

TEXAS 88-78/1119

REGIONS BANK

10/24/2016

DATE

\$\*\*\*\*\*1,000.00

**AMOUNT** 

RIZED SIGNATURE

"O18173" ::111900785: O101887041"

**CENTRAL TEXAS** 

REGIONAL MOBILITY AUTHORITY

18173

**Texas Comptroller of Public Accounts** 

**Document** No.

**Document Date** 

**Posting Description** 

**ENERGY** 

10/21/2016

Invoice PI014393

10/24/2016

**Amount** 1,000.00

**Discount** 

**Net Amount** 

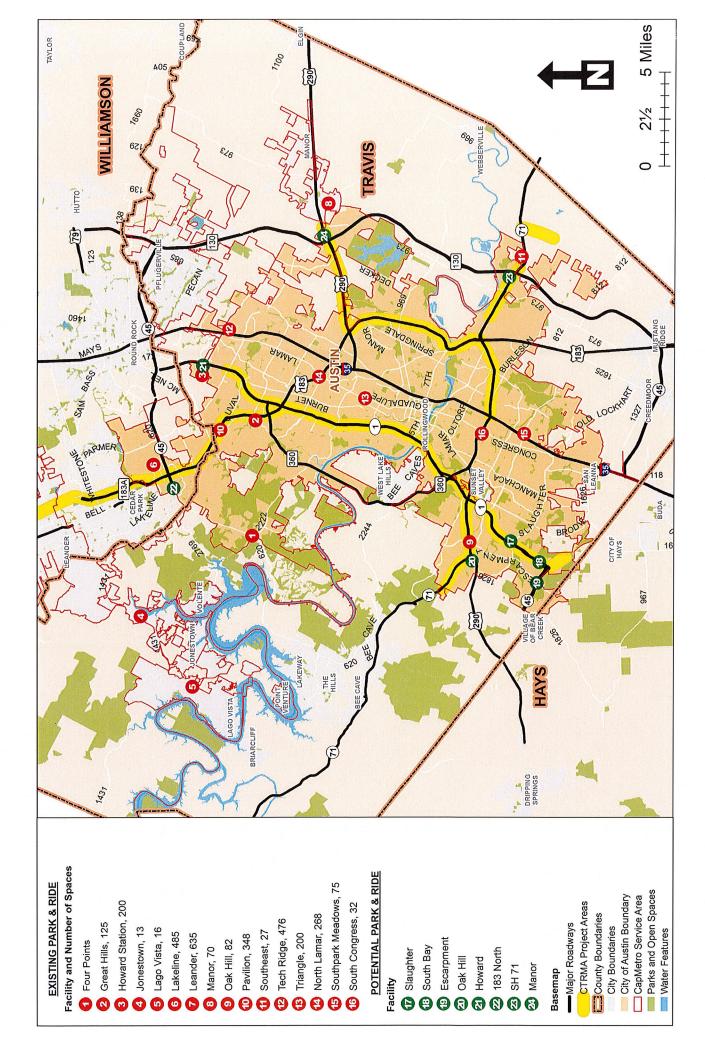
1,000.00

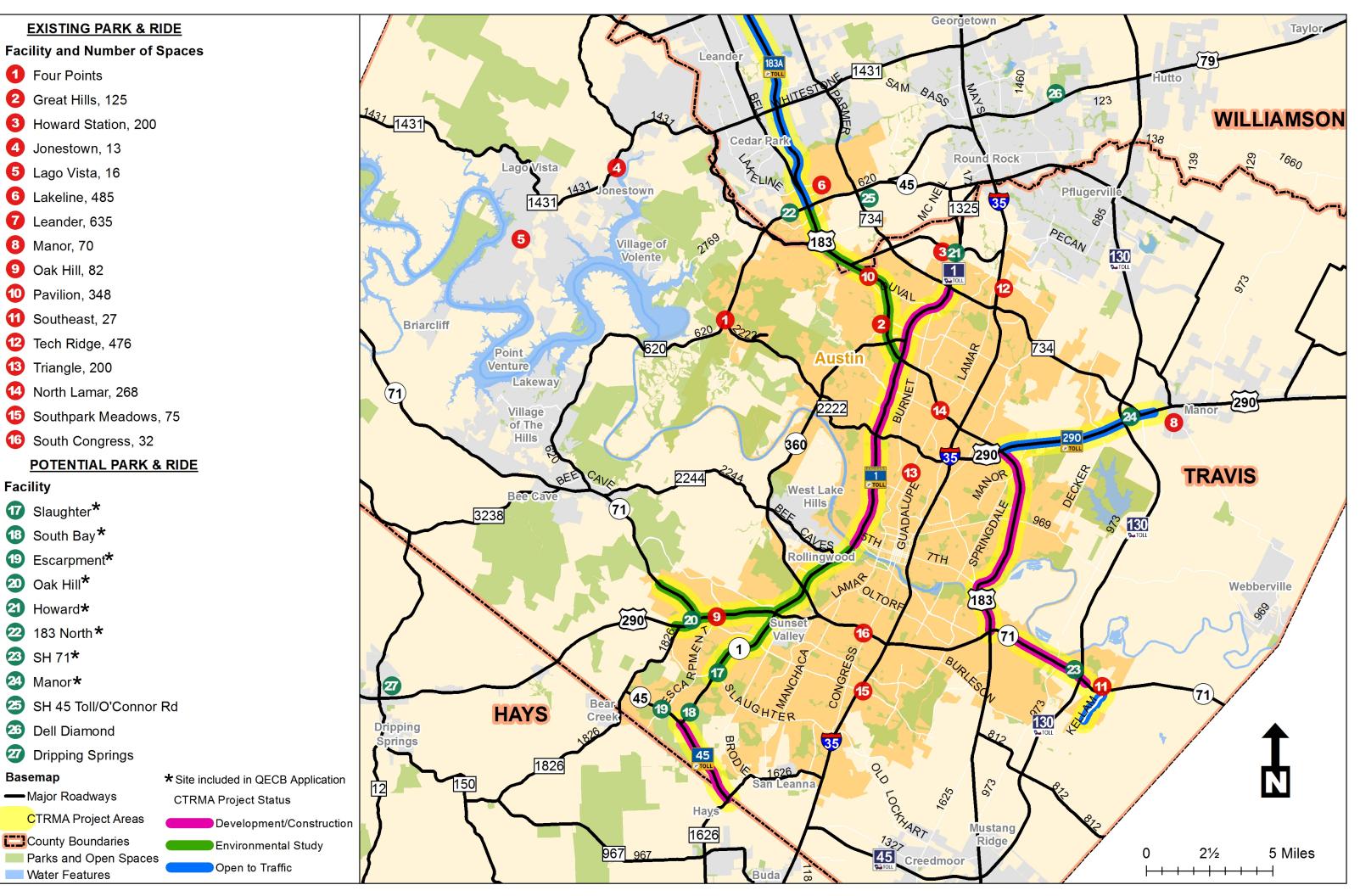
**Total** 

1,000.00

Deluxe Corporation 1-800-328-0304 or www.deluxe.com/shop

PRODUCT SSLM500





1 Four Points

2 Great Hills, 125

Jonestown, 13

5 Lago Vista, 16

Leander, 635

Oak Hill, 82

Pavilion, 348

Triangle, 200

**Facility** 

Slaughter\*

18 South Bay\*

20 Oak Hill\*

☐ Howard\*

**SH 71\*** 

2 Manor\*

**Basemap** 

22 183 North\*

25 Dell Diamond

Major Roadways

County Boundaries

Water Features

Escarpment\*

Tech Ridge, 476

Southeast, 27

**8** Manor, 70

Lakeline, 485